

amount to be returned to Rural Development is to be computed by applying the percentage of the Rural Development grant participation in the total cost of the project to the proceeds from the sale.

(5) All funds received by FmHA or its successor agency under Public Law 103-354 from real property transfers shall be deposited in the U.S. Treasury.

(42 U.S.C. 8401; delegation of authority by the Secretary of Agriculture, 7 CFR 2.23; delegation of authority by the Assistant Secretary for Rural Development, 7 CFR 2.70)

[44 FR 35984, June 19, 1979, as amended at 46 FR 33022, June 26, 1981; 56 FR 28038, June 19, 1991; 68 FR 61331, Oct. 28, 2003]

§ 1948.91 Inspections of development.

Inspections will be made by the FmHA or its successor agency under Public Law 103-354 State Engineer or other employee designated by the FmHA or its successor agency under Public Law 103-354 State Director to ascertain whether site development is proceeding in accordance with plans and specifications. Such inspections are solely for the benefit of the Government and not for the benefit of the Grantee or any other person.

§ 1948.92 Grant approval and fund obligation.

(a) The FmHA or its successor agency under Public Law 103-354 State Office shall review the docket to determine whether the proposed grant complies with this subpart and that funds are available.

(b) The FmHA or its successor agency under Public Law 103-354 State Director shall be the approving officer on all grants made under this subpart.

(c) If at any time prior to grant approval it is decided that favorable action will not be taken on a preapplication or application, the FmHA or its successor agency under Public Law 103-354 State Director will notify the applicant in writing of the reasons why the request was not favorably considered. The notification to the applicant will state that a review of this decision by FmHA or its successor agency under Public Law 103-354 may be requested by the applicant in accordance with FmHA Instruction 1900-B.

(d) If a grant is recommended, Form FmHA or its successor agency under Public Law 103-354 440-1 and the proposed grant agreement and scope of work will be prepared and forwarded to the applicant for signature.

(e) When Form FmHA or its successor agency under Public Law 103-354 440-1 and the grant agreement and scope of work are received by the applicant, the applicant will sign these documents and forward them to the State Director.

(f) Exhibit A to FmHA Instruction 2015-C (available in any FmHA or its successor agency under Public Law 103-354 Office) will be prepared by the State Director and sent to the Director of Information, Farmers Home Administration or its successor agency under Public Law 103-354.

(g) If the State Director approves the project, the following actions will be taken in the order listed:

(1) The State Director, or a designee, will telephone the Finance Office requesting that grant funds for a particular project be obligated. Immediately after contacting the Finance Office, the requesting official shall furnish the requesting office's security identification code. Failure to furnish the security code will result in the rejection of the request of obligation. After the security code is furnished, the required information from Form FmHA or its successor agency under Public Law 103-354 440-1 shall be furnished to the Finance Office. Upon receipt of the telephone request for obligation of funds, the Finance Office shall record all information necessary to process the request for obligation in addition to the date and time of request.

(2) The individual making the request shall record the date and time of the request.

(3) The Finance Office will notify the FmHA or its successor agency under Public Law 103-354 State Office by telephone when funds are reserved and the date the funds will be obligated. If funds cannot be reserved for a project, the Finance Office will notify the FmHA or its successor agency under Public Law 103-354 State Office that funds are not available. The obligation date will be six working days from the

§ 1948.93

date the request for obligation is processed.

(4) The Finance Office will send Form FmHA or its successor agency under Public Law 103-354 440-57, "Acknowledgement of Obligated Funds/Check Request," to the FmHA or its successor agency under Public Law 103-354 State Director, informing the State Director of the reservation of funds with the obligation date inserted as required by Item 9 on the Forms Manual Insert (FMI) for Form FmHA or its successor agency under Public Law 103-354 440-57.

(5) Form FmHA or its successor agency under Public Law 103-354 440-1 will not be mailed to the Finance Office.

(6) A copy of Form FmHA or its successor agency under Public Law 103-354 440-1 will be sent the FmHA or its successor agency under Public Law 103-354 National Office.

(7) The State Director shall notify the Director of Information in the FmHA or its successor agency under Public Law 103-354 National Office with a recommendation that the project announcement be released.

(8) An executed copy of Form FmHA or its successor agency under Public Law 103-354 440-1 shall be sent to the applicant along with an executed copy of the grant agreement and scope of work on or before the date funds are obligated.

(9) The actual date of applicant notification will be entered on the original of Form FmHA or its successor agency under Public Law 103-354 440-1 and the original of the form will be included as a permanent part of the file.

(10) For planning grants, Standard Form 270, "Request for Advance or Reimbursement," will be sent to the applicant for completion and return to FmHA or its successor agency under Public Law 103-354. For site acquisition and site development grants, Standard Form 271, "Outlay Report and Request for Reimbursement for Construction Programs," will be sent to the applicant for completion and returned to FmHA or its successor agency under Public Law 103-354.

(11) If it is determined that a project will not be funded or if major changes in the scope of the project are made after release of the approval announcement, the FmHA or its successor agen-

7 CFR Ch. XVIII (1-1-08 Edition)

cy under Public Law 103-354 State Director will notify the Director, Legislative Affairs and Public Information Staff (LAPIS) by telephone or electronic mail giving the reasons for such action. The Director, LAPIS, will inform all parties who were notified by the project announcement that the project will not be funded or of major changes in the project using a procedure similar to the announcement process. Form FmHA or its successor agency under Public Law 103-354 1940-10, "Cancellation of U.S. Treasury Check and/or Obligation," will not be submitted to the Finance Office until five working days after notifying the Director, LAPIS.

(7 U.S.C. 1989; 42 U.S.C. 1480; 5 U.S.C. 301; sec. 10 Pub. L. 93-357; delegation of authority by the Sec. of Agri., 7 CFR 2.23; delegation of authority by the Under Secretary for Small Community and Rural Development, 7 CFR 2.70)

[44 FR 35984, June 19, 1979, as amended at 47 FR 36416, Aug. 20, 1982; 48 FR 30946, July 6, 1983]

§ 1948.93 Appeal procedure.

Any grantee or applicant for FmHA or its successor agency under Public Law 103-354 assistance under this subpart who has been directly and adversely affected by an administrative decision by FmHA or its successor agency under Public Law 103-354 may appeal such decision in accordance with FmHA Instruction 1900-B.

§ 1948.94 Reporting requirements.

(a) For planning grants, SF-270 shall be submitted by grantees on an as-needed basis but not more frequently than once every 30 days. SF-269, "Financial Status Report," and a project performance activity report will be required of all grantees on a quarterly basis. SF-269 and a final project performance report will also be required. These final reports may serve as the last quarterly reports. Grantees shall constantly monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. All grantees except States should submit an original of each report and one copy